NEWS RELEASE

Loblaw Reports a 10.0% Increase in Adjusted Basic EPS(2) and a 17.6% Increase in Basic EPS for the Third Quarter of 2015(1)

BRAMPTON, ONTARIO November 18, 2015 Loblaw Companies Limited (TSX: L) ("Loblaw" or the "Company") today announced its unaudited financial results for the third quarter ended October 10, 2015. The Company's third quarter report will be available in the Investor Centre section of the Company's website at loblaw.ca and will be filed with SEDAR and available at sedar.com.

"In the third quarter, our business remained focused on delivering the best in food experience, best in health and beauty, operational excellence, and growth," reported Galen G. Weston, President and Executive Chairman of Loblaw Companies Limited.

"While the grocery industry remained competitive, and the regulatory environment in healthcare challenging, we maintained a stable trading platform, achieved incremental efficiencies and delivered planned synergies. Having reached our deleveraging target during the quarter, we are now in a position to increase our focus on returning capital to shareholders."

2015 THIRD QUARTER HIGHLIGHTS

- Retail segment sales were $13,715 million, an increase of 2.5% compared to the third quarter of 2014.
    - Food retail (Loblaw) same-store sales growth was 3.1%, excluding gas bar and the negative impact of a change in distribution model by a tobacco supplier; and
    - Drug retail (Shoppers Drug Mart) same-store sales growth was 4.9%, with same-store pharmacy sales increasing by 3.5% and same-store front store sales increasing by 6.2% compared to the third quarter of 2014.
- Retail adjusted gross profit percentage(2) was 26.0%, flat compared to the third quarter of 2014.
- Adjusted EBITDA(2) was $1,022 million, an increase of 2.1% compared to the third quarter of 2014.
- Net earnings available to common shareholders of the Company were $166 million, an increase of 16.9% compared to the third quarter of 2014. Adjusted net earnings available to common shareholders of the Company(2) were $408 million, an increase of 10.0% compared to the third quarter of 2014.
- Basic net earnings per common share were $0.40, an increase of 17.6% compared to the third quarter of 2014. Adjusted basic net earnings per common share(2) were $0.99, an increase of 10.0%.
- The Company realized approximately $76 million of net synergies in the quarter compared to $44 million in the third quarter of 2014. Since the close of the acquisition of Shoppers Drug Mart, the Company has realized $222 million in annualized synergies (net of related costs). The Company continues to expect to achieve annualized synergies of $300 million (net of related costs) in the third year following the close of the acquisition.
- Adjusted debt(2) decreased by $527 million compared to the second quarter of 2015. The Company has now achieved its debt reduction target following the acquisition of Shoppers Drug Mart, with a cumulative reduction of $1,872 million. The Company's adjusted debt(2) to rolling year adjusted EBITDA(2) was 2.5x as at October 10, 2015.

See "News Release Endnotes" at the back of this News Release

CONSOLIDATED RESULTS OF OPERATIONS

For the periods ended October 10, 2015 and October 4, 2014 (millions of Canadian dollars except where otherwise indicated)	**2015 (16 weeks)**	2014[3] (16 weeks)	$ Change	% Change	**2015 (40 weeks)**	2014[3] (40 weeks)	$ Change	% Change
Revenue	**$ 13,946**	$ 13,599	$ 347	2.6%	**$ 34,529**	$ 31,198	$ 3,331	10.7%
Adjusted EBITDA[2]	**$ 1,022**	$ 1,001	$ 21	2.1%	**$ 2,668**	$ 2,277	$ 391	17.2%
Adjusted EBITDA margin[2]	**7.3%**	7.4%			**7.7%**	7.3%		
Net earnings (loss) attributable to shareholders of the Company	**$ 170**	$ 142	$ 28	19.7%	**$ 501**	$ (194)	$ 695	358.2%
Net earnings (loss) available to common shareholders of the Company[(i)]	**166**	142	24	16.9%	**497**	(194)	691	356.2%
Adjusted net earnings available to common shareholders of the Company[2]	**408**	371	37	10.0%	**1,059**	821	238	29.0%
Basic net earnings (loss) per common share ($)	**$ 0.40**	$ 0.34	$ 0.06	17.6%	**$ 1.21**	$ (0.52)	$ 1.73	332.7%
Adjusted basic net earnings per common share[2] ($)	**$ 0.99**	$ 0.90	$ 0.09	10.0%	**$ 2.57**	$ 2.22	$ 0.35	15.8%

(i) Net earnings (loss) available to common shareholders of the Company is net earnings (loss) attributable to shareholders of the Company net of dividends paid on the Company's Second Preferred Shares, Series B.

Adjusted net earnings available to common shareholders of the Company[2] were $408 million ($0.99 per common share) in the third quarter of 2015 compared to $371 million ($0.90 per common share) in the third quarter of 2014. The increase of $37 million ($0.09 per common share) was primarily due to:

- an improvement in the underlying operating performance of the Retail segment, including positive same-store sales in both Food and Drug retail and an increase in gross profit driven by sales;
- the positive contribution of net synergies;
- a reduction in depreciation and amortization in the Retail segment due to an increase in the estimated useful life of certain IT systems and lower depreciation on older IT and supply chain assets; and
- a reduction in adjusted net interest expense and other financing charges[2] primarily driven by repayments of the Company's unsecured term loan facility related to the acquisition of Shoppers Drug Mart Corporation ("Shoppers Drug Mart") and matured capital securities.

Net earnings available to common shareholders of the Company were $166 million ($0.40 per common share) in the third quarter of 2015 compared to $142 million ($0.34 per common share) in the third quarter of 2014 and included the year-over-year impact of the following items:

- strong underlying performance of the Retail segment;
- the favourable impact of a charge of $107 million ($0.19 per common share) incurred in the third quarter of 2014 related to the fair value increment on the acquired inventory sold associated with the acquisition of Shoppers Drug Mart; partially offset by
- an unfavourable impact in restructuring and other related costs of $49 million ($0.10 per common share) primarily related to the closure of certain unprofitable retail locations announced in the 2015 Second Quarter Report to Shareholders;
- the unfavourable impact of an increase in net interest expense and other financing charges, primarily due to the fair value adjustment to the Trust Unit Liability of $72 million ($0.18 per common share); and
- an increase in the effective income tax rate from 23.2% to 35.2%, primarily attributable to the non-deductible fair value adjustment to the Trust Unit Liability, an increase in certain other non-deductible items and an increase in current tax as a result of an increase of 2% in the Alberta statutory corporate income tax rate.

REPORTABLE OPERATING SEGMENTS

Retail Segment

For the periods ended October 10, 2015 and October 4, 2014 (millions of Canadian dollars except where otherwise indicated)	2015 (16 weeks)	2014[3] (16 weeks)	$ Change	% Change	2015 (40 weeks)	2014[3] (40 weeks)	$ Change	% Change
Sales	**$ 13,715**	$ 13,375	$ 340	2.5 %	**$ 33,863**	$ 30,567	$ 3,296	10.8%
Gross profit	**3,560**	3,366	194	5.8 %	**8,895**	6,809	2,086	30.6%
Adjusted gross profit[2]	**3,560**	3,473	87	2.5 %	**8,903**	7,728	1,175	15.2%
Adjusted gross profit %[2]	**26.0%**	26.0%			**26.3%**	25.3%		
Adjusted EBITDA[2]	**$ 976**	$ 954	22	2.3 %	**$ 2,529**	$ 2,143	386	18.0%
Adjusted EBITDA margin[2]	**7.1%**	7.1%			**7.5%**	7.0%		
Depreciation and amortization	**$ 470**	$ 496	(26)	(5.2)%	**$ 1,198**	$ 1,065	133	12.5%

For the periods ended October 10, 2015 and October 4, 2014	2015 (16 weeks)	2014[3] (16 weeks)	2015 (40 weeks)	2014[3] (40 weeks)
Food retail same-store sales growth	**1.3%**	2.6%	**1.7%**	1.9%
Drug retail same-store sales growth	**4.9%**	2.5%	**4.0%**	2.1%
Same-store pharmacy sales growth	**3.5%**	3.5%	**3.6%**	2.3%
Same-store front store sales growth	**6.2%**	1.6%	**4.4%**	2.0%

Sales Retail segment sales were $13,715 million in the third quarter of 2015, an increase of $340 million compared to the third quarter of 2014. Food retail (Loblaw) sales of $10,178 million were higher by $190 million, or 1.9%, compared to the third quarter of 2014. Drug retail (Shoppers Drug Mart) sales of $3,537 million were higher by $150 million, or 4.4%. The increase in Retail segment sales was primarily due to the following factors:

- Food retail same-store sales growth was 3.1% for the quarter, after excluding gas bar (0.9%) and the negative impact of a change in distribution model by a tobacco supplier (0.9%). Including these impacts, Food retail same-store sales growth was 1.3% (2014 – 2.6%).
  - The Company's Food retail average quarterly internal food price index was higher than (2014 – in line with) the average quarterly national food price inflation of 3.8% (2014 – 2.8%) as measured by The Consumer Price Index for Food Purchased from Stores ("CPI"). CPI does not necessarily reflect the effect of inflation on the specific mix of goods sold in the Company's stores;
- Drug retail sales were comprised of pharmacy sales of $1,699 million (2014 – $1,640 million), with same-store sales growth of 3.5% (2014 – 3.5%) and front store sales of $1,838 million (2014 – $1,747 million), with same-store sales growth of 6.2% (2014 – 1.6%).
- In the last 12 months, there was an increase in Retail net square footage of 0.1 million, or 0.1%. Excluding the divestitures required pursuant to the Consent Agreement, Retail net square footage increased by 0.3 million square feet, or 0.4%.
- In 2014, the Company modified its fee arrangements with the franchisees of certain franchise banners. The modified arrangements are expected to result in an annual reduction of Food retail segment sales and gross profit of approximately $150 million, with a corresponding decrease in selling, general and administrative expenses ("SG&A"). In the third quarter of 2015, the impact of the modified arrangements was a $43 million negative impact to Food retail sales and gross profit, with an offsetting $43 million positive impact to SG&A.

Adjusted Gross Profit[(2)] Adjusted gross profit[(2)] of $3,560 million was $87 million higher compared to the third quarter of 2014. Adjusted gross profit percentage[(2)] was flat compared to the third quarter of 2014 but included a 30 basis point negative impact from the above noted modifications to certain franchise fee arrangements. After excluding this negative impact, adjusted gross profit percentage[(2)] was 26.3% compared to 26.0% in the third quarter of 2014. The increase of 30 basis points was driven by an increase in Food retail adjusted gross profit percentage[(2)] compared to the third quarter of 2014, partially offset by a decrease in the Drug retail adjusted gross profit percentage[(2)] compared to the third quarter of 2014. The key drivers of the increase were:

- a positive impact due to the consolidation of franchises, which commenced in the second quarter;
- the achievement of operational synergies in both Food and Drug retail;
- a decrease in transportation costs; and
- stronger Drug retail front store gross profit percentage driven by strong sales growth in all front store categories, combined with a continued focus on promotional effectiveness and margin enhancement initiatives; partially offset by
- lower Drug retail pharmacy gross profit percentage, as higher script volumes were offset by the impact of healthcare reform and the increase in the usage of generic molecules.

Adjusted EBITDA[(2)] Adjusted EBITDA[(2)] of $976 million was $22 million higher compared to the third quarter of 2014, driven by the increase in adjusted gross profit[(2)] described above, partially offset by an increase in SG&A of $65 million. As a percentage of sales, the increase in SG&A was positively impacted by the modification to certain franchise fee arrangements, which was fully offset in gross profit above. Excluding this impact, SG&A increased by $108 million, an increase of 30 basis points over 2014. The increase in SG&A included the impact of the following:

- higher store and store support costs, primarily driven by higher sales and investments in marketing and business initiatives;
- unfavourable foreign exchange impacts;
- the inclusion of the SG&A of consolidated franchises as described below; and
- higher charges related to settlement of collective agreements in the quarter; partially offset by
- favourable changes in the value of the Company's investments in its franchise business; and
- efficiencies achieved in the Food retail supply chain, administration and information technology ("IT").

Depreciation and Amortization Depreciation and amortization was $470 million in the third quarter of 2015, a decrease of $26 million compared to the third quarter of 2014, and included $164 million (2014 – $168 million) in amortization of intangible assets related to the acquisition of Shoppers Drug Mart. Excluding this amount, depreciation and amortization decreased by $22 million driven by:

- an increase in the estimated useful life of certain IT systems; and
- lower depreciation on older IT and supply chain assets.

Other Retail Business Matters

Consolidation of Franchises In 2015, the Company implemented a new, simplified franchise agreement ("Franchise Agreement") for its franchised Food retail stores. For financial reporting purposes, the franchise stores subject to the Franchise Agreement were consolidated. All new franchises will be subject to the Franchise Agreement. Existing franchises will be converted to the Franchise Agreement as the existing agreements expire. As at October 10, 2015, 43 franchises were consolidated and the year-to-date impact was incremental revenue of $28 million, a decrease to EBITDA[(2)] of $8 million and an increase in depreciation and amortization of $2 million.

Closure of Certain Unprofitable Retail Locations As announced in the 2015 Second Quarter Report to Shareholders, the Company finalized a plan that will result in the closure of approximately 52 unprofitable retail locations across a range of banners and formats. The Company expects that the closures will be completed by the end of the second quarter of 2016. On an annualized basis, the closures will decrease sales by approximately $300 million but will result in a favourable impact of approximately $30 million to EBITDA[(2)] and $5 million to depreciation and amortization.

The restructuring and other related costs associated with the plan are expected to total approximately $140 million. Of this amount, a charge of $86 million was recorded in the third quarter of 2015 and $131 million year-to-date. The year-to-date amount included $92 million for severance and lease termination costs and $39 million for asset impairments associated with these retail locations. The Company expects approximately $9 million to be recognized as stores close.

As at the end of the third quarter of 2015, 13 retail locations had been closed.

Labour Agreements Over the past five years, the Company has been transitioning stores to more cost effective and efficient operating terms under collective agreements ("Labour Agreements"). The Company is committed to completing these Labour Agreements and expects to finalize the majority of the remaining stores in the fourth quarter of 2015. The Company anticipates it will incur a charge of approximately $60 million in SG&A related to the completion of these Labour Agreements in the fourth quarter of 2015, which will be excluded in calculating adjusted net earnings available to common shareholders of the Company(2).

Financial Services Segment(4)

For the periods ended October 10, 2015 and October 4, 2014 (millions of Canadian dollars except where otherwise indicated)	**2015** **(16 weeks)**	2014 (16 weeks)	$ Change	% Change	**2015** **(40 weeks)**	2014 (40 weeks)	$ Change	% Change
Revenue	**$ 211**	$ 207	$ 4	1.9 %	**$ 609**	$ 579	$ 30	5.2 %
Adjusted EBITDA(2)	**39**	42	(3)	(7.1)%	**122**	120	2	1.7 %
Earnings before income taxes	**23**	27	(4)	(14.8)%	**73**	76	(3)	(3.9)%

(millions of Canadian dollars except where otherwise indicated)	**As at October 10, 2015**	As at October 4, 2014	$ Change	% Change
Average quarterly net credit card receivables	**$ 2,604**	$ 2,512	$ 92	3.7%
Credit card receivables	**2,663**	2,549	114	4.5%
Allowance for credit card receivables	**51**	51	—	—%
Annualized yield on average quarterly gross credit card receivables	**13.6%**	13.8%		
Annualized credit loss rate on average quarterly gross credit card receivables	**4.4%**	4.4%		

Earnings before income taxes Earnings before income taxes were $23 million in the third quarter of 2015, a decrease of $4 million compared to the third quarter of 2014. The decrease was primarily driven by higher interest income attributable to growth in credit card receivables, offset by higher operating costs resulting from an increase in the active customer base and higher interest expenses to fund the growth in credit card receivables.

Credit Card Receivables As at October 10, 2015, credit card receivables were $2,663 million, an increase of $114 million compared to October 4, 2014. This increase was primarily driven by a growth in the active customer base as a result of continued investments in customer acquisitions and marketing initiatives, partially offset by higher customer payment rates. As at October 10, 2015, the allowance for credit card receivables was $51 million, flat compared to October 4, 2014.

Choice Properties Segment[4]

For the periods ended October 10, 2015 and October 4, 2014 (millions of Canadian dollars except where otherwise indicated)	**2015 (16 weeks)**	2014 (16 weeks)	$ Change	% Change	**2015 (40 weeks)**	2014 (40 weeks)	$ Change	% Change
Revenue	**$ 187**	$ 171	$ 16	9.4%	**$ 552**	$ 508	$ 44	8.7%
Adjusted EBITDA[2]	**136**	107	29	27.1%	**378**	348	30	8.6%
Net interest expense and other financing charges	**308**	(18)	326	1,811.1%	**572**	232	340	146.6%
Adjusted funds from operations[2]	**79**	73	6	8.2%	**231**	211	20	9.5%

***Adjusted EBITDA**[2]* Adjusted EBITDA[2] was $136 million in the third quarter of 2015, an increase of $29 million compared to the third quarter of 2014, primarily driven by contributions from properties acquired subsequent to the third quarter of 2014, an increase in base rent from existing properties and a favourable fair value adjustment on investment properties.

Net Interest Expense and Other Financing Charges Net interest expense and other financing charges were $308 million in the third quarter of 2015, an increase of $326 million compared to the third quarter of 2014. The increase was primarily driven by the fair value adjustment on Class B Limited Partnership units.

***Adjusted Funds from Operations**[2]* Adjusted funds from operations[2] were $79 million in the third quarter of 2015, an increase of $6 million compared to the third quarter of 2014, primarily driven by:

- higher contribution from property operations; partially offset by
- an increase in normalized sustaining property and leasing capital expenditures, resulting from a larger investment property portfolio.

Other Matters In the third quarter of 2015, Choice Properties acquired two properties from the Company for a purchase price of approximately $18 million, excluding acquisition costs, for consideration of $15 million in cash and issuance of 280,155 Class B Limited Partnership units.

Subsequent to the end of the third quarter of 2015, Choice Properties announced an increase in its annual distribution per unit of 3.1% to $0.67 per unit, effective for unitholders of record on January 29, 2016 and filed a Short Form Base Shelf Prospectus allowing for the issuance of up to $2,000 million of Units and debt securities, or any combination thereof over a 25-month period.

DECLARATION OF DIVIDENDS

Subsequent to the end of the third quarter of 2015, the Board of Directors declared a quarterly dividend on Common Shares and Second Preferred Shares, Series B.

Common Shares	$0.250 per common share, payable on December 30, 2015 to shareholders of record on December 15, 2015
Second Preferred Shares, Series B	$0.33125 per share, payable on December 31, 2015 to shareholders of record on December 15, 2015

OUTLOOK[1]

Loblaw's strategic framework is focused on delivering the best in food, best in health and beauty, operational excellence and growth. This strategic framework is supported by a financial strategy of maintaining a stable trading environment that targets positive same-store sales and stable gross margin; surfacing efficiencies; delivering synergies as a result of its acquisition of Shoppers Drug Mart; and deleveraging the balance sheet. Consistent with its previous outlook, on a full year comparative basis reflecting 2014 financial results for Loblaw and Shoppers Drug Mart[i], in 2015 the Company expects to:

- Maintain positive same-store sales and stable gross margin (excluding synergies) in the Retail segment;
- Achieve net synergies as a result of the acquisition of Shoppers Drug Mart of approximately $235 million;
- Continue to drive net efficiencies across the Food retail business by achieving reductions in supply chain, administrative functions and IT, while still investing in key areas, like eCommerce;
- Grow adjusted operating income[2] in its Food retail business, excluding synergies, and experience a decline in adjusted operating income[2] in its Drug retail business, excluding synergies, as a result of investments in key projects and other factors;
- Grow consolidated adjusted net earnings available to common shareholders[2] (including synergies) relative to 2014, despite the negative impact in the fourth quarter of healthcare reform, incremental investments in key projects, and lower incremental synergies; and
- Invest approximately $1,200 million in capital expenditures.

The Company's expectations continue to include the following:

- Competitive intensity expected to remain high, but relatively stable as industry square footage growth in supermarket-type merchandise moderates; and
- Continued pressure in our Drug retail business from the ongoing impact of healthcare reform.

(i) Includes Shoppers Drug Mart's financial results for the first quarter of 2014 and excludes the impact of the 53rd week of $71 million in adjusted EBITDA[2] and adjusted operating income[2].

NON-GAAP FINANCIAL MEASURES

The Company uses the following non-GAAP financial measures: Retail segment adjusted gross profit, Retail segment adjusted gross profit percentage, EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net interest expense and other financing charges, adjusted income taxes, adjusted income tax rate, adjusted net earnings, adjusted basic net earnings per common share, adjusted debt and with respect to Choice Properties: adjusted funds from operations. The Company believes these non-GAAP financial measures provide useful information to both management and investors in measuring the financial performance and financial condition of the Company for the reasons outlined below.

Management uses these and other non-GAAP financial measures to exclude the impact of certain expenses and income that must be recognized under GAAP when analyzing consolidated and segment underlying operating performance, as the excluded items are not necessarily reflective of the Company's underlying operating performance and make comparisons of underlying financial performance between periods difficult. The Company excludes additional items if it believes doing so would result in a more effective analysis of underlying operating performance. The exclusion of certain items does not imply that they are non-recurring.

These measures do not have a standardized meaning prescribed by GAAP and therefore they may not be comparable to similarly titled measures presented by other publicly traded companies and should not be construed as an alternative to other financial measures determined in accordance with GAAP.

For details on the nature of items excluded in the calculation of any of the non-GAAP financial measures detailed below see the "Non-GAAP Financial Measures" section of the Company's Third Quarter 2015 Report to Shareholders.

Retail Segment Adjusted Gross Profit and Retail Segment Adjusted Gross Profit Percentage Retail segment adjusted gross profit percentage is calculated as adjusted Retail segment gross profit divided by Retail segment sales. The Company believes that Retail segment adjusted gross profit is useful in assessing the Retail segment's underlying operating performance and in making decisions regarding the ongoing operations of the business.

For the periods ended October 10, 2015 and October 4, 2014 (millions of Canadian dollars)	**2015** **(16 weeks)**	2014 (16 weeks)	**2015** **(40 weeks)**	2014 (40 weeks)
Retail segment gross profit	**$ 3,560**	$ 3,366	**$ 8,895**	$ 6,809
Add impact of the following:				
Charge related to apparel inventory	**—**	—	**8**	—
Recognition of fair value increment on inventory sold	**—**	107	**—**	729
Charge related to inventory measurement and other conversion differences	**—**	—	**—**	190
Retail segment adjusted gross profit	**$ 3,560**	$ 3,473	**$ 8,903**	$ 7,728

EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin The following tables reconcile earnings (loss) before income taxes, net interest expense and other financing charges and depreciation and amortization ("EBITDA"), adjusted EBITDA and adjusted operating income to operating income, which is reconciled to GAAP net earnings measures reported in the condensed consolidated statements of earnings for the periods ended October 10, 2015 and October 4, 2014. The Company believes that adjusted EBITDA is useful in assessing the performance of its ongoing operations and its ability to generate cash flows to fund its cash requirements, including the Company's capital investments program.

Adjusted EBITDA margin is calculated as adjusted EBITDA divided by revenue.

					2015 (16 weeks)					2014 (16 weeks)
(millions of Canadian dollars)	**Retail**	**Financial Services[4]**	**Choice Properties[4]**	**Consolidation and Eliminations**	**Consolidated**	Retail	Financial Services[4]	Choice Properties[4]	Consolidation and Eliminations	Consolidated
Net earnings attributable to shareholders of the Company					**$ 170**					$ 142
Add (deduct) impact of the following:										
Non-Controlling Interests					**(6)**					—
Net interest expense and other financing charges					**205**					150
Income taxes					**89**					43
Operating income	**$ 419**	**$ 37**	**$ 135**	**$ (133)**	**$ 458**	$ 294	$ 41	$ 105	$ (105)	$ 335
Depreciation and amortization	**470**	**2**	**1**	**4**	**477**	496	1	—	3	500
EBITDA	**$ 889**	**$ 39**	**$ 136**	**$ (129)**	**$ 935**	$ 790	$ 42	$ 105	$ (102)	$ 835
Operating income	**$ 419**	**$ 37**	**$ 135**	**$ (133)**	**$ 458**	$ 294	$ 41	$ 105	$ (105)	$ 335
Add (deduct) impact of the following:										
Amortization of intangible assets acquired with Shoppers Drug Mart	**164**	**—**	**—**	**—**	**164**	168	—	—	—	168
Restructuring and other related costs	**95**	**—**	**—**	**—**	**95**	44	—	2	—	46
Fair value adjustment on fuel and foreign currency contracts	**(12)**	**—**	**—**	**—**	**(12)**	—	—	—	—	—
Fixed asset and other related impairments, net of recoveries	**2**	**—**	**—**	**—**	**2**	10	—	—	—	10
Pension annuities and buy-outs	**2**	**—**	**—**	**—**	**2**	—	—	—	—	—
Recognition of fair value increment on inventory sold	**—**	**—**	**—**	**—**	**—**	107	—	—	—	107
Fair value adjustment on Shoppers Drug Mart's equity-based compensation liability	**—**	**—**	**—**	**—**	**—**	5	—	—	—	5
Shoppers Drug Mart acquisition-related costs, net of impact from divestitures	**—**	**—**	**—**	**—**	**—**	(2)	—	—	—	(2)
Adjusted operating income	**$ 670**	**$ 37**	**$ 135**	**$ (133)**	**$ 709**	$ 626	$ 41	$ 107	$ (105)	$ 669
Depreciation and amortization	**470**	**2**	**1**	**4**	**477**	496	1	—	3	500
Less: Amortization of intangible assets acquired with Shoppers Drug Mart	**(164)**	**—**	**—**	**—**	**(164)**	(168)	—	—	—	(168)
Adjusted EBITDA	**$ 976**	**$ 39**	**$ 136**	**$ (129)**	**$ 1,022**	$ 954	$ 42	$ 107	$ (102)	$ 1,001

					2015 (40 weeks)					2014[3] (40 weeks)
(millions of Canadian dollars)	**Retail**	**Financial Services[4]**	**Choice Properties[4]**	**Consolidation and Eliminations**	**Consolidated**	Retail	Financial Services[4]	Choice Properties[4]	Consolidation and Eliminations	Consolidated
Net earnings (loss) attributable to shareholders of the Company					**$ 501**					$ (194)
Add (deduct) impact of the following:										
Non-Controlling Interests					**(5)**					—
Net interest expense and other financing charges					**503**					415
Income taxes					**286**					(66)
Operating income	**$1,164**	**$ 115**	**$ 377**	**$ (371)**	**$ 1,285**	$ 38	$ 115	$ 345	$ (343)	$ 155
Depreciation and amortization	**1,198**	**7**	**1**	**10**	**1,216**	1,065	5	—	9	1,079
EBITDA	**$2,362**	**$ 122**	**$ 378**	**$ (361)**	**$ 2,501**	$1,103	$ 120	$ 345	$ (334)	$ 1,234
Operating income	**$1,164**	**$ 115**	**$ 377**	**$ (371)**	**$ 1,285**	$ 38	$ 115	$ 345	$ (343)	$ 155
Add (deduct) impact of the following:										
Amortization of intangible assets acquired with Shoppers Drug Mart	**412**	**—**	**—**	**—**	**412**	293	—	—	—	293
Restructuring and other related costs	**161**	**—**	**—**	**—**	**161**	44	—	2	—	46
Fair value adjustment on fuel and foreign currency contracts	**(15)**	**—**	**—**	**—**	**(15)**	—	—	—	—	—
Fixed asset and other related impairments, net of recoveries	**9**	**—**	**—**	**—**	**9**	14	—	1	—	15
Charge related to apparel inventory	**8**	**—**	**—**	**—**	**8**	—	—	—	—	—
Shoppers Drug Mart acquisition-related costs, net of impact from divestitures	**2**	**—**	**—**	**—**	**2**	58	—	—	—	58
Pension annuities and buy-outs	**2**	**—**	**—**	**—**	**2**	—	—	—	—	—
Recognition of fair value increment on inventory sold	**—**	**—**	**—**	**—**	**—**	729	—	—	—	729
Charge related to inventory measurement and other conversion differences	**—**	**—**	**—**	**—**	**—**	190	—	—	—	190
Fair value adjustment on Shoppers Drug Mart's equity-based compensation liability	**—**	**—**	**—**	**—**	**—**	5	—	—	—	5
Adjusted operating income	**$1,743**	**$ 115**	**$ 377**	**$ (371)**	**$ 1,864**	$1,371	$ 115	$ 348	$ (343)	$ 1,491
Depreciation and amortization	**1,198**	**7**	**1**	**10**	**1,216**	1,065	5	—	9	1,079
Less: Amortization of intangible assets acquired with Shoppers Drug Mart	**(412)**	**—**	**—**	**—**	**(412)**	(293)	—	—	—	(293)
Adjusted EBITDA	**$2,529**	**$ 122**	**$ 378**	**$ (361)**	**$ 2,668**	$2,143	$ 120	$ 348	$ (334)	$ 2,277

Adjusted Net Interest Expense and Other Financing Charges The following table reconciles adjusted net interest expense and other financing charges to net interest expense and other financing charges in the condensed consolidated statements of earnings for the periods ended October 10, 2015 and October 4, 2014. The Company believes that adjusted net interest expense and other financing charges is useful in assessing the Company's underlying financial performance and in making decisions regarding the financial operations of the business.

(millions of Canadian dollars)	**2015 (16 weeks)**	2014 (16 weeks)	**2015 (40 weeks)**	2014 (40 weeks)
Net interest expense and other financing charges	**$ 205**	$ 150	**$ 503**	$ 415
Add (deduct) impact of the following:				
Fair value adjustment to the Trust Unit Liability	**(49)**	23	**(74)**	3
Accelerated amortization of deferred financing costs	**(4)**	(4)	**(15)**	(18)
Shoppers Drug Mart acquisition-related costs, net of impact from divestitures	**—**	—	**—**	(15)
Adjusted net interest expense and other financing charges	**$ 152**	$ 169	**$ 414**	$ 385

Adjusted Income Taxes and Adjusted Income Tax Rate The Company believes adjusted income taxes is useful in assessing the underlying operating performance and in making decisions regarding the ongoing operations of its business.

(millions of Canadian dollars)	**2015 (16 weeks)**	2014 (16 weeks)	**2015 (40 weeks)**	2014 (40 weeks)
Adjusted operating income(i)	**$ 709**	$ 669	**$ 1,864**	$ 1,491
Adjusted net interest expense and other financing charges(i)	**152**	169	**414**	385
Adjusted earnings before taxes	**$ 557**	$ 500	**$ 1,450**	$ 1,106
Income taxes	**$ 89**	$ 43	**$ 286**	$ (66)
Add (deduct) impact of the following:				
Tax impact of items included in adjusted earnings before taxes(ii)	**62**	86	**144**	351
Provincial statutory corporate income tax rate change	**—**	—	**(38)**	—
Adjusted income taxes	**$ 151**	$ 129	**$ 392**	$ 285
Effective tax rate	**35.2%**	23.2%	**36.6%**	25.4%
Adjusted income tax rate	**27.1%**	25.8%	**27.0%**	25.8%

(i) See reconciliations of adjusted operating income and adjusted net interest expense and other financing charges above.

(ii) See the EBITDA, adjusted EBITDA and adjusted EBITDA margin table and the adjusted net interest expense and other financing charges table above for a complete list of items included in adjusted earnings before taxes.

Adjusted income tax rate is calculated as adjusted income taxes divided by the sum of adjusted operating income less adjusted net interest expense and other financing charges.

Adjusted Net Earnings and Adjusted Basic Net Earnings Per Common Share The Company believes adjusted net earnings and adjusted basic net earnings per common share are useful in assessing the Company's underlying operating performance and in making decisions regarding the ongoing operations of its business.

(millions of Canadian dollars)	**2015 (16 weeks)**	2014[3] (16 weeks)	**2015 (40 weeks)**	2014[3] (40 weeks)
Adjusted net earnings attributable to shareholders of the Company	**$ 412**	$ 371	**$ 1,063**	$ 821
Less: Prescribed dividends on preferred shares in share capital	**(4)**	—	**(4)**	—
Adjusted net earnings available to common shareholders of the Company	**$ 408**	$ 371	**$ 1,059**	$ 821

The following table reconciles adjusted net earnings available to common shareholders of the Company and adjusted basic net earnings per common share to GAAP net earnings available to common shareholders of the Company and basic net earnings per common share reported for the periods ended October 10, 2015 and October 4, 2014:

	2015 (16 weeks)		2014 (16 weeks)		**2015 (40 weeks)**		2014 (40 weeks)	
(millions of Canadian dollars/Canadian dollars)	**Net Earnings Available to Common Shareholders of the Company**	**Basic Net Earnings Per Common Share**	Net Earnings Available to Common Shareholders of the Company	Basic Net Earnings Per Common Share	**Net Earnings Available to Common Shareholders of the Company**	**Basic Net Earnings Per Common Share**	Net Earnings (Loss) Available to Common Shareholders of the Company	Basic Net Earnings (Loss) Per Common Share
	$ 166	**$ 0.40**	$ 142	$ 0.34	**$ 497**	**$ 1.21**	$ (194)	$ (0.52)
Add (deduct) impact of the following:								
Amortization of intangible assets acquired with Shoppers Drug Mart	**120**	**0.30**	124	0.31	**302**	**0.73**	216	0.58
Restructuring and other related costs	**76**	**0.18**	34	0.08	**132**	**0.32**	34	0.09
Fair value adjustment to the Trust Unit Liability[(i)]	**49**	**0.12**	(23)	(0.06)	**74**	**0.18**	(3)	(0.01)
Provincial statutory corporate income tax rate change	**—**	**—**	—	—	**38**	**0.09**	—	—
Accelerated amortization of deferred financing costs	**3**	**0.01**	3	0.01	**11**	**0.03**	13	0.04
Fair value adjustment on fuel and foreign currency contracts	**(9)**	**(0.02)**	—	—	**(11)**	**(0.03)**	—	—
Fixed asset and other related impairments, net of recoveries	**2**	**—**	8	0.02	**7**	**0.02**	12	0.03
Charge related to apparel inventory	**—**	**—**	—	—	**6**	**0.02**	—	—
Shoppers Drug Mart acquisition-related costs, net of impact from divestitures	**—**	**—**	—	—	**2**	**—**	64	0.17
Pension annuities and buy-outs	**1**	**—**	—	—	**1**	**—**	—	—
Recognition of fair value increment on inventory sold	**—**	**—**	79	0.19	**—**	**—**	536	1.45
Charge related to inventory measurement and other conversion differences	**—**	**—**	—	—	**—**	**—**	139	0.38
Fair value adjustment on Shoppers Drug Mart's equity-based compensation liability	**—**	**—**	4	0.01	**—**	**—**	4	0.01
Adjusted	**$ 408**	**$ 0.99**	$ 371	$ 0.90	**$ 1,059**	**$ 2.57**	$ 821	$ 2.22

(i) Gains or losses related to the fair value adjustment to the Trust Unit Liability are not subject to tax.

Adjusted Debt The following table reconciles adjusted debt, used in the adjusted debt to rolling year adjusted EBITDA ratio, to GAAP measures reported as at the periods indicated. The Company believes that adjusted debt is relevant in assessing the amount of financial leverage employed. In the table below, the Company has also presented adjusted debt as at March 28, 2014, the date of the acquisition of Shoppers Drug Mart, as this is the baseline for the Company's debt reduction targets.

(millions of Canadian dollars)	**As at October 10, 2015**	As at October 4, 2014	As at January 3, 2015	As at March 28, 2014
Bank indebtedness	**$ 243**	$ 323	$ 162	$ 295
Short term debt	**580**	605	605	605
Long term debt due within one year	**1,344**	71	420	902
Long term debt	**9,760**	11,549	11,042	11,262
Trust Unit Liability	**810**	697	722	703
Capital securities	**—**	224	225	224
Certain other liabilities	**31**	49	28	39
Total debt	**$ 12,768**	$ 13,518	$ 13,204	$ 14,030
Less:				
Independent Securitization Trusts	**$ 1,580**	$ 1,355	$ 1,355	$ 1,355
Independent Funding Trusts	**506**	487	498	469
Trust Unit Liability	**810**	697	722	703
Guaranteed Investment Certificates	**684**	563	634	443
Adjusted debt	**$ 9,188**	$ 10,416	$ 9,995	$ 11,060

Adjusted debt to rolling year adjusted EBITDA is calculated as adjusted debt divided by cumulative adjusted EBITDA for the latest four quarters.

Choice Properties' Adjusted Funds from Operations(4) The following table reconciles Choice Properties' adjusted funds from operations to GAAP measures for the periods ended October 10, 2015 and October 4, 2014. The Company believes adjusted funds from operations is useful in measuring economic performance and is indicative of Choice Properties' ability to pay distributions.

(millions of Canadian dollars)	**2015 (16 weeks)**	2014 (16 weeks)	**2015 (40 weeks)**	2014 (40 weeks)
Net (loss) income	**$ (174)**	$ 123	**$ (196)**	$ 113
Fair value adjustment on Class B Limited Partnership units	**221**	(100)	**315**	(63)
Fair value adjustment on investment properties	**(1)**	16	**16**	16
Fair value adjustments on unit-based compensation	**1**	(1)	**1**	(1)
Distributions on Class B Limited Partnership units	**51**	48	**151**	141
Amortization of tenant improvement allowances	**—**	—	**—**	1
Internal expenses for leasing	**—**	—	**1**	—
Funds from Operations	**$ 98**	$ 86	**$ 288**	$ 207
Restructuring	**$ —**	$ 2	**$ —**	$ 2
Straight-line rental revenue	**(9)**	(9)	**(27)**	(26)
Amortization of finance charges	**—**	(1)	**(1)**	50
Unit-based compensation expense	**1**	1	**2**	2
Sustaining property and leasing capital expenditures, normalized(i)	**(11)**	(6)	**(31)**	(24)
Adjusted Funds from Operations	**$ 79**	$ 73	**$ 231**	$ 211

(i) Seasonality impacts the timing of capital expenditures. The adjusted funds from operations calculation has been adjusted for this factor to make the quarters more comparable.

SEGMENT INFORMATION

The Company has three reportable operating segments with all material operations carried out in Canada:

- The Retail segment consists primarily of retail food and Associate-owned drug stores, and also includes in-store pharmacies and other health and beauty products, gas bars and apparel and other general merchandise. This segment is comprised of several operating segments, which have been aggregated primarily due to similarities in the nature of products and services offered for sale in the retail operations and the customer base;
- The Financial Services segment provides credit card services, loyalty programs, insurance brokerage services, personal banking services provided by a major Canadian chartered bank, deposit taking services and telecommunication services; and
- The Choice Properties segment owns and leases income-producing commercial properties. The Choice Properties segment information presented below reflects the accounting policies of Choice Properties, which may differ from those of the consolidated Company. Differences in policies are eliminated in Consolidation and Eliminations.

The Company's chief operating decision maker evaluates segment performance on the basis of adjusted EBITDA(2) and adjusted operating income(2), as reported to internal management, on a periodic basis.

Information for each reportable operating segment is included below:

	October 10, 2015 (16 weeks)					October 4, 2014 (16 weeks)				
(millions of Canadian dollars)	**Retail**	**Financial Services(4)**	**Choice Properties(4)**	**Consolidation and Eliminations(i)**	**Total**	Retail	Financial Services(4)	Choice Properties(4)	Consolidation and Eliminations(i)	Total
Revenue(ii)	**$ 13,715**	**$ 211**	**$ 187**	**$ (167)**	**$ 13,946**	$ 13,375	$ 207	$ 171	$ (154)	$ 13,599
EBITDA(iii)	**$ 889**	**$ 39**	**$ 136**	**$ (129)**	**$ 935**	$ 790	$ 42	$ 105	$ (102)	$ 835
Adjusting Items(iii)	**87**	**—**	**—**	**—**	**87**	164	—	2	—	166
Adjusted EBITDA(iii)	**$ 976**	**$ 39**	**$ 136**	**$ (129)**	**$ 1,022**	$ 954	$ 42	$ 107	$ (102)	$ 1,001
Depreciation and Amortization(iv)	**306**	**2**	**1**	**4**	**313**	328	1	—	3	332
Adjusted Operating Income(iii)	**$ 670**	**$ 37**	**$ 135**	**$ (133)**	**$ 709**	$ 626	$ 41	$ 107	$ (105)	$ 669
Net interest expense and other financing charges	**$ 108**	**$ 14**	**$ 308**	**$ (225)**	**$ 205**	$ 119	$ 14	$ (18)	$ 35	$ 150

(i) Consolidation and Eliminations includes the following items:

- Revenue includes the elimination of $127 million (2014 – $118 million) of rental revenue and $40 million (2014 – $36 million) of cost recovery recognized by Choice Properties, generated from the Retail segment.
- Operating income includes the elimination of the $127 million (2014 – $118 million) impact of rental revenue described above; the elimination of a $1 million gain (2014 – $16 million loss) recognized by Choice Properties related to the fair value adjustments on investment properties, which are classified as Fixed Assets or Investment Properties by the Company and measured at cost; the recognition of $4 million (2014 – $3 million) of depreciation expense for certain investment properties recorded by Choice Properties; and the elimination of intercompany charges of $1 million (2014 – nil).
- Net interest expense and other financing charges includes the elimination of $64 million (2014 – $61 million) of interest expense included in Choice Properties related to debt owing to the Company and a $221 million fair value loss (2014 – gain of $100 million) recognized by Choice Properties on Class B Limited Partnership units held by the Company. Net interest and other financing charges also includes Unit distributions to external unitholders of $11 million (2014 – $11 million), which excludes distributions paid to the Company and a $49 million fair value loss (2014 – gain of $23 million) on the Company's Trust Unit Liability and, in 2014, the $8 million reversal of Choice Properties interest expense incurred to June 30, 2014.

(ii) Included in Financial Services revenue is $93 million (2014 – $91 million) of interest income.

(iii) Certain items are excluded from EBITDA(2) to derive adjusted EBITDA(2). Adjusted EBITDA(2) is used internally by management when analyzing segment underlying performance.

(iv) Depreciation and amortization for the calculation of adjusted EBITDA(2) excludes $164 million (2014 – $168 million) of amortization of intangible assets acquired with Shoppers Drug Mart.

(millions of Canadian dollars)	**October 10, 2015 (40 weeks)** Retail	Financial Services(4)	Choice Properties(4)	Consolidation and Eliminations(i)	Total	October 4, 2014(3) (40 weeks) Retail	Financial Services(4)	Choice Properties(4)	Consolidation and Eliminations(i)	Total
Revenue(ii)	**$ 33,863**	**$ 609**	**$ 552**	**$ (495)**	**$ 34,529**	$30,567	$ 579	$ 508	$ (456)	$ 31,198
EBITDA(iii)	**$ 2,362**	**$ 122**	**$ 378**	**$ (361)**	**$ 2,501**	$ 1,103	$ 120	$ 345	$ (334)	$ 1,234
Adjusting Items(iii)	**167**	**—**	**—**	**—**	**167**	1,040	—	3	—	1,043
Adjusted EBITDA(iii)	**$ 2,529**	**$ 122**	**$ 378**	**$ (361)**	**$ 2,668**	$ 2,143	$ 120	$ 348	$ (334)	$ 2,277
Depreciation and Amortization(iv)	**786**	**7**	**1**	**10**	**804**	772	5	—	9	786
Adjusted Operating Income(iii)	**$ 1,743**	**$ 115**	**$ 377**	**$ (371)**	**$ 1,864**	$ 1,371	$ 115	$ 348	$ (343)	$ 1,491
Net interest expense and other financing charges	**$ 285**	**$ 42**	**$ 572**	**$ (396)**	**$ 503**	$ 286	$ 39	$ 232	$ (142)	$ 415

(i) Consolidation and Eliminations includes the following items:

- Revenue includes the elimination of $374 million (2014 – $350 million) of rental revenue and $121 million (2014 – $106 million) of cost recovery recognized by Choice Properties, generated from the Retail segment.
- Operating income includes the elimination of the $374 million (2014 – $350 million) impact of rental revenue described above; the elimination of a $16 million loss (2014 – $16 million loss) recognized by Choice Properties related to the fair value adjustments on investment properties, which are classified as Fixed Assets or Investment Properties by the Company and measured at cost; the recognition of $10 million (2014 – $9 million) of depreciation expense for certain investment properties recorded by Choice Properties; and the elimination of intercompany charges of $3 million (2014 – nil).
- Net interest expense and other financing charges includes the elimination of $188 million (2014 – $235 million) of interest expense included in Choice Properties related to debt owing to the Company and a $315 million fair value loss (2014 – gain of $63 million) recognized by Choice Properties on Class B Limited Partnership units held by the Company. Net interest and other financing charges also includes Unit distributions to external unitholders of $33 million (2014 – $33 million), which excludes distributions paid to the Company and a $74 million fair value loss (2014 – gain of $3 million) on the Company's Trust Unit Liability.

(ii) Included in Financial Services revenue is $274 million (2014 – $266 million) of interest income.

(iii) Certain items are excluded from EBITDA(2) to derive adjusted EBITDA(2). Adjusted EBITDA(2) is used internally by management when analyzing segment underlying performance.

(iv) Depreciation and amortization for the calculation of adjusted EBITDA(2) excludes $412 million (2014 – $293 million) of amortization of intangible assets acquired with Shoppers Drug Mart.

FORWARD-LOOKING STATEMENTS

This News Release for the Company contains forward-looking statements about the Company's objectives, plans, goals, aspirations, strategies, financial condition, results of operations, cash flows, performance, prospects, opportunities and legal and regulatory matters. Specific forward-looking statements in this News Release include, but are not limited to, statements with respect to the Company's anticipated future results, events and plans, synergies and other benefits associated with the acquisition of Shoppers Drug Mart, future liquidity and debt reduction targets, planned capital investments, and status and impact of IT systems implementation. These specific forward-looking statements are contained throughout this News Release including, without limitation, in the "Outlook" section of this News Release. Forward-looking statements are typically identified by words such as "expect", "anticipate", "believe", "foresee", "could", "estimate", "goal", "intend", "plan", "seek", "strive", "will", "may", "on track" and "should" and similar expressions, as they relate to the Company and its management.

Forward-looking statements reflect the Company's current estimates, beliefs and assumptions, which are based on management's perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. The Company's expectation of operating and financial performance in 2015 is based on certain assumptions including assumptions about anticipated cost savings, operating efficiencies and continued growth from current initiatives. The Company's estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and as such, are subject to change. The Company can give no assurance that such estimates, beliefs and assumptions will prove to be correct.

Numerous risks and uncertainties could cause the Company's actual results to differ materially from those expressed, implied or projected in the forward-looking statements, including those described in Section 15 "Enterprise Risks and Risk Management" of the Management's Discussion and Analysis in the 2014 Annual Report – Financial Review ("2014 Annual Report") and Annual Information Form (for the year ended January 3, 2015). Such risks and uncertainties include:

- failure to realize the anticipated strategic benefits or operational, competitive and cost synergies following the acquisition of Shoppers Drug Mart;
- failure to realize benefits from investments in the Company's IT systems, including the Company's IT systems implementation, or unanticipated results from these initiatives;
- failure to realize anticipated results, including revenue growth, anticipated cost savings or operating efficiencies from the Company's major initiatives, including those from restructuring;
- the inability of the Company's IT infrastructure to support the requirements of the Company's business;
- changes in the Company's estimate of inventory cost as a result of its IT system upgrade;
- changes to the regulation of generic prescription drug prices and the reduction of reimbursements under public drug benefit plans and the elimination or reduction of professional allowances paid by drug manufacturers;
- failure to achieve desired results in labour negotiations, including the terms of future collective bargaining agreements, which could lead to work stoppages;
- heightened competition, whether from current competitors or new entrants to the marketplace;
- changes in economic conditions, including the rate of inflation or deflation, changes in interest and currency exchange rates and derivative and commodity prices;
- changes in the Company's income, capital, commodity, property and other tax and regulatory liabilities, including changes in tax laws, regulations or future assessments;
- the risk that the Company will be unsuccessful in any material litigation, class action, or regulatory proceeding;
- the inability of the Company to manage inventory to minimize the impact of obsolete or excess inventory and to control shrink;
- the risk that the Company would experience a financial loss if its counterparties fail to meet their obligations in accordance with the terms and conditions of their contracts with the Company; and
- the inability of the Company to collect on and fund its credit card receivables.

This is not an exhaustive list of the factors that may affect the Company's forward-looking statements. Other risks and uncertainties not presently known to the Company or that the Company presently believes are not material could also cause actual results or events to differ materially from those expressed in its forward-looking statements. Additional risks and uncertainties are discussed in the Company's materials filed with the Canadian securities regulatory authorities from time to time, including, without limitation, the section entitled "Risks" in the Company's Annual Information Form (for the year ended January 3, 2015). Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect the Company's expectations only as of the date of this News Release. Except as required by law, the Company does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

CORPORATE PROFILE

2014 Annual Report and 2015 Third Quarter Report to Shareholders

The Company's 2014 Annual Report and 2015 Third Quarter Report to Shareholders are available in the Investor Centre section of the Company's website at loblaw.ca and sedar.com.

Investor Relations

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Additional financial information has been filed electronically with various securities regulators in Canada through the System for Electronic Document Analysis and Retrieval (SEDAR) and with the Office of the Superintendent of Financial Institutions (OSFI) as the primary regulator for the Company's subsidiary, President's Choice Bank. The Company holds an analyst call shortly following the release of its quarterly results. These calls are archived in the Investor Centre section of the Company's website at loblaw.ca.

Conference Call and Webcast

Loblaw Companies Limited will host a conference call as well as an audio webcast on November 18, 2015 at 10:00 a.m. (ET).

To access via tele-conference please dial (416) 204-9702. The playback will be made available two hours after the event at (647) 436-0148, access code: 667786. To access via audio webcast, please visit loblaw.ca, go to Investor Centre and click on webcast. Pre-registration will be available.

Full details about the conference call and webcast are available on the Loblaw Companies Limited website at loblaw.ca.

News Release Endnotes

(1) This News Release contains forward-looking information. See "Forward-Looking Statements" section of this News Release for a discussion of material factors that could cause actual results to differ materially from the forecasts and projections herein and of the material factors and assumptions that were used when making these statements. This News Release should be read in conjunction with Loblaw Companies Limited's filings with securities regulators made from time to time, all of which can be found at sedar.com and at loblaw.ca.

(2) See "Non-GAAP Financial Measures" section of this News Release.

(3) Certain 2014 figures have been restated to conform with the current year's presentation. See "Non-GAAP Financial Measures" section of this News Release and Note 2 "Significant Accounting Policies" and Note 4 "Business Acquisitions" in the Company's 2015 Third Quarter Report to Shareholders.

(4) The results for the Financial Services and Choice Properties segments are for the periods ended September 30, 2015 and September 30, 2014, consistent with the segments' fiscal calendars. Adjustments to align Financial Services' and Choice Properties' results to October 10, 2015 and October 4, 2014 are included in Consolidation and Eliminations. See the "Non-GAAP Financial Measures" and the "Segment Information" sections of this News Release.